A2500 - 2
5/18/89

Paper Paperboard & Wood Pulp

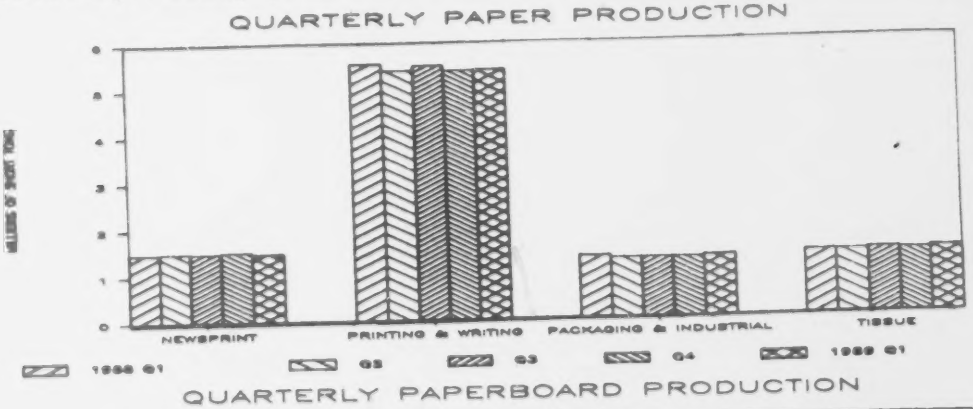
MONTHLY STATISTICAL SUMMARY - Vol. 67 No. 4 APRIL 1989

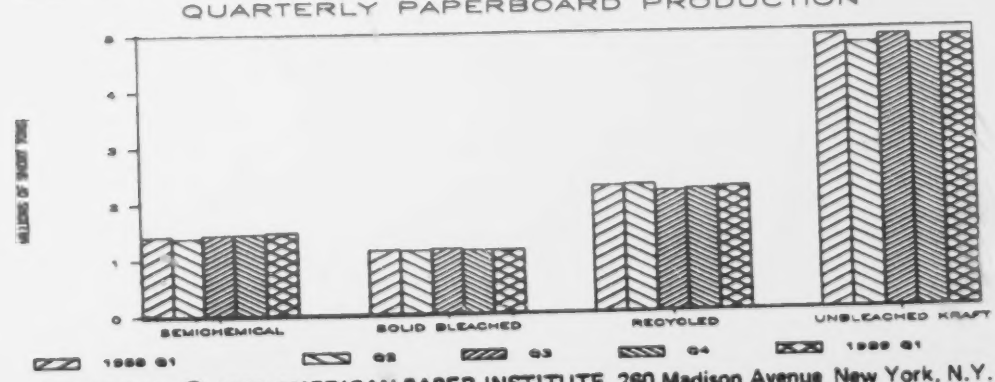
PAPER AND PAPERBOARD PRODUCTION HOLDS AT FLAT TREND

The trend of paper and paperboard production continues to fluctuate about a flat trend close to its record-high 1988 rate. Adjusted for seasonal and workday factors, the first quarter 1989 rate was 77.0 million tons per year, 1.2% below the 1988's first quarter level, but slightly ahead of the 76.6 million tons produced in 1988. (See table on page 3.)

The trend in total paper and paperboard production is roughly consistent with that of total industrial production. In each of the first three months of 1989 industrial production held flat. The nondurable consumer goods component, which includes many important markets for paper and paperboard products, remained unchanged in each month of this period while production of durable consumer goods eased downward between January and March.

The charts below show quarterly totals for the major grade groupings of paper and paperboard for the five quarters starting with the first quarter of 1988. These charts highlight the similarity of the trends of each of these groups, pointing to the relatively steady production totals evident so far in 1989.





COPYRIGHT © 1989 AMERICAN PAPER INSTITUTE 260 Madison Avenue New York, N.Y. 10016

Because of the leap year day in 1988, comparison of the unadjusted first quarter paper and paperboard 1989 totals with those of the first quarter 1988 overstate the decline in the rates of production by about 1%. In addition, the March 1988 production total -- shown on the Industry Fact Sheet that accompanies this report -- was the highest monthly total on record, bringing the first quarter 1988 total well above the trend evident for 1988 as a whole.

Paper: For the most part, the rates of production of the various paper grades held close to their respective 1988 levels in the first quarter of 1989. The strongest showing was made by uncoated groundwood papers, whose shipments total gained 6.2% over their comparable 1988 total, possibly reflecting the reported decline in imports of these papers. Shipments of uncoated free sheet papers were close to their year-ago level. Coated papers were one of the few grades where there was some indication of inventory accumulation at user levels during 1988. First quarter 1989 shipments of these papers were 5.7% below their year-ago rate and about 3.5% below the total 1988 level, suggesting some reduction in user inventories.

Paperboard: Production of the major paperboard grades, as shown on page 3, followed trends similar to those of paper. Total production was 0.9% below its year-ago level in the first quarter of this year. The 1988 data were revised to reflect the annual review of the reported data. When adjusted for seasonal and workday factors, the rates were equal. Production of containerboard for domestic use declined 0.2% which, after adjustment for the extra day in the first quarter of last year, translates into a small increase. This pattern is consistent with the 0.5% increase in fibre box shipments. Inventories of containerboard at mills and plants, which had increased in January, gave up most of this gain in February and March, retreating almost all the way back to their January 1, 1989 level.

Production of boxboard for domestic use is showing a trend similar to that of containerboard. The first quarter 1988 decline was 2.9%, reflecting a 2% decline in production of bleached and unbleached kraft folding boxboard, a 1% decline in production of recycled boxboard and a decline in milk carton stock fairly well offset by gains in production of cup stock.

IMPORTS AND EXPORTS

We have been able to trace one reason for the unusually high level of the January 1989 paper and paperboard imports reported by Census. Some of the imports from Canada in late December were coded to the new Harmonized Code system. Census was unable to re-code these forms to the old system, and included them with the January 1989 data. The major impact was on newsprint, which is by far the largest import grade. We estimate that about 210,000 short

Continued on Page 11

PAPER AND PAPERBOARD STATISTICS

PRODUCTION, SHIPMENTS AND ORDERS
(Thousands of Short Tons)

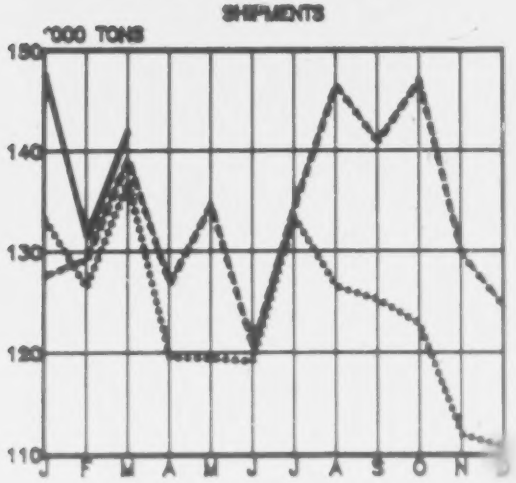
	YEAR 1987	YEAR 1988	DECEMBER 1988	JANUARY 1989 (R)	FEBRUARY 1989 (P)	MARCH 1989 (P)	Annual Rate Y-T-D 1989	% Change From same Period Last Year
PAPER								
Newsprint - Production	5,842	5,982	512	507	445	516	5,874	-1.3
- Shipments	5,854	5,969	523	482	454	509	5,776	-1.5
Printing & Writing Sum	20,780	21,819	1,756	1,871	1,699	1,830	21,601	-2.6
Groundwood Paper - Shipments	1,485	1,601	125	148	131	142	1,682	6.2
- New Orders	1,529	1,630	177	140	126	157	1,689	8.5
-Unfilled Orders	164	207	207	182	178	197	197	14.9
Coated Papers - Shipments	6,860	7,361	573	633	551	592	7,101	-5.7
- New Orders	7,066	7,406	570	588	562	587	6,947	-5.9
- Unfilled Orders	708	722	722	678	696	690	690	4.3
Unctd Free Sheet - Shipments	10,977	11,327	930	965	899	972	11,346	-1.6
- New Orders	11,184	11,365	989	934	887	984	11,221	-3.0
- Unfilled Orders	773	781	781	680	695	709	709	-8.3
Thin Papers - Shipments	251	227	18	15	17	15	186	-25..
Cotton Fiber Paper - Shipments	163	164	15	13	13	14	162	-4.7
Bleached Bristols - Production	1,044	1,139	95	97	89	95	1,124	1.0
Tissue Paper - Production	5,301	5,476	450	466	437	505	5,629	3.0
Total Packaging & Other Paper	5,074	5,199	423	455	408	448	5,243	-2.0
Unbl. Kraft Paper - Shipments	3,081	3,038	258	273	236	265	3,093	-1.8
Other Paper - Production	1,993	2,162	165	182	172	184	2,150	-2.4
TOTAL PAPER-Production-Unadj.	36,996	38,476	3,140	3,299	2,989	3,299	38,347	-1.
-Production-S.A. RS			3,172	3,232	3,148	3,211	38,363	-0.
PAPERBOARD - PRODUCTION								
Solid Wood Pulp Furnish	28,862	29,318	2,488	2,535	2,307	2,552	29,578	-0.
Total Unbl. Kraft Paperboard	18,898	19,140	1,622	1,653	1,522	1,653	19,312	-1.
Unbl. Kraft Linerboard (1)	17,683	17,897	1,516	1,540	1,430	1,551	18,085	-0.
Production for Export	2,303	2,296	210	206	217	202	2,500	-3.
Other Unbl. Kraft Paperboard	1,215	1,244	107	113	92	102	1,228	-4.
Semichemical Paperboard	5,540	5,666	484	503	444	508	5,818	2.
Production for Export	193	136	10	16	11	17	176	18.
Solid Bleached Paperboard	4,406	4,511	382	379	341	391	4,448	-1.
Production for Export	619	628	54	57	44	60	645	2.
Recycled Paperboard	8,601	8,789	668	750	694	743	8,748	-2.
Production for Export	75	72	4	4	3	3	39	-54.
TOTAL PAPERBOARD-Prod.-Unadj.	37,445	38,107	3,155	3,285	3,001	3,296	38,324	-0
- Containerboard Prod.(Dom. Use)	23,025	23,563	1,977	2,027	1,833	2,041	23,604	-0
- Boxboard Prod.(Dom. Use)	6,969	7,125	588	600	549	607	7,027	-2
- All Other P'bd Prod.(D.U.)	4,262	4,288	313	375	344	364	4,333	0
- Total Paperbd Prod. for Export	3,190	3,132	278	283	274	283	3,361	-2
TOTAL PAPERBOARD PROD.- S.A. RS			3,128	3,217	3,259	3,181	38,632	0
TOTAL PAPER AND PAPERBOARD Production - Unadj.	74,442	76,583	6,296	6,584	5,989	6,595	76,671	-1
Production - S.A. RS			6,300	6,450	6,407	6,392	76,995	-0

(1) Includes all exports of kraft paperboard.

R - Revised P - Preliminary S.A. - Seasonally Adjusted

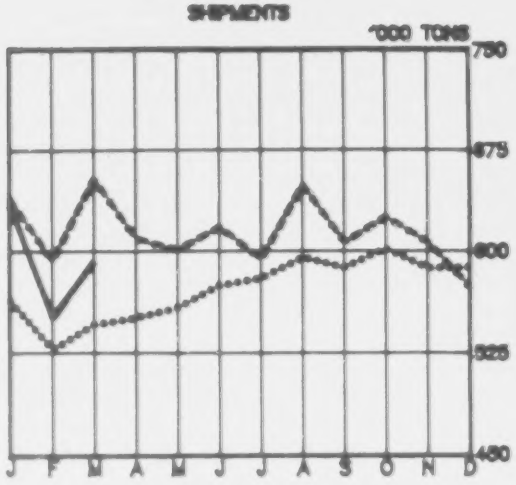
GROUNDWOOD PAPER, UNCOATED

SHIPMENTS



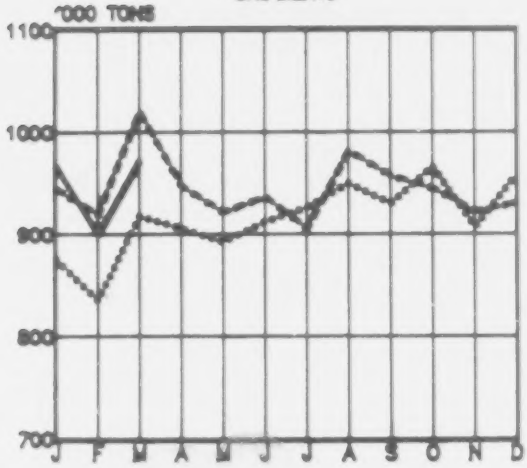
COATED PAPER

SHIPMENTS



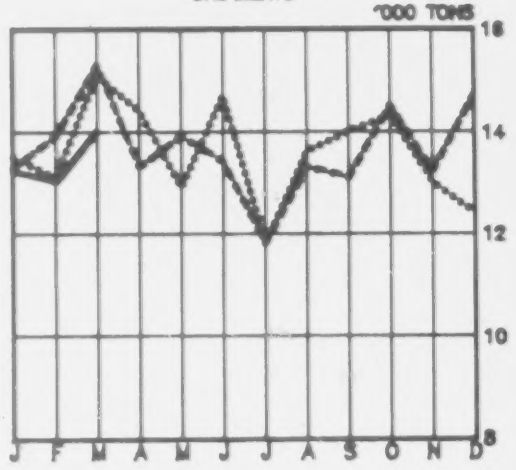
UNCOATED FREE SHEET PAPERS

SHIPMENTS



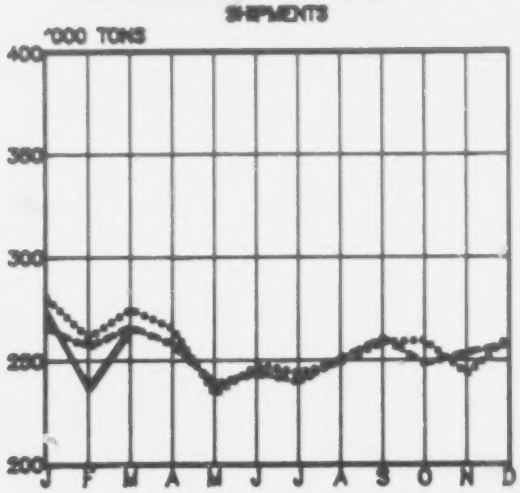
COTTON FIBER PAPER

SHIPMENTS



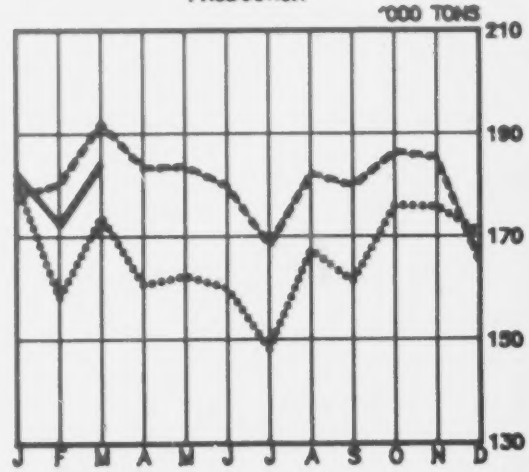
UNBLEACHED KRAFT PACKAGING
AND INDUSTRIAL CONVERTING PAPER

SHIPMENTS



OTHER PAPER

PRODUCTION



1987 •••••••• 1988 - - - - - 1989 ———

WOOD PULP STATISTICS
(Thousands of Tons)

	YEAR 1987	YEAR 1988	NOVEMBER 1988	DECEMBER 1988	JANUARY 1989	FEBRUARY 1989	Annual Rate Y-T-D 1989	% Change from same Period Last Year
TOTAL WOOD PULP				R,A	R,A	P		
Total Wood Pulp - Production	59,552	61,161	4,973	5,282	5,466	4,821	61,724	0.
- Imports	4,850	5,038 A	425	414	432	395	4,961	1.
- Exports	4,889	5,528	420	573	457	507	5,784	15.
- New Supply	59,513	60,671	4,979	5,123	5,442	4,709	60,901	-0.
Dissolving Pulp - Production	1,312	1,367	112	127	127	102	1,376	3.
- Imports	198	248	31	25	19	22	245	-0.
- Exports	752	865	73	89	55	69	741	14.
- New Supply	757	751	69	64	91	56	880	-4.
Paper Grades - Production	48,293	49,493	4,007	4,303	4,423	3,935	50,145	1.
Chemical Pulp - Imports	4,456	4,419 A	366	364	392	348	4,441	1.
- Exports	4,111	4,612	340	478	394	432	4,955	14.
- New Supply	48,637	49,300	4,033	4,189	4,421	3,851	49,631	0.
Groundwood and - Production	5,702	5,943	489	484	520	438	5,746	-2.
Thermo-Mech. - Imports	197	371 A	29	24	22	24	275	-8.
- Exports	26	51	6	6	9	6	87	319.
- New Supply	5,872	6,263	511	503	533	456	5,933	-4.
Semi-Chemical - Production	4,246	4,358	365	367	397	346	4,457	2.
- Imports								
- Exports								
- New Supply	4,246	4,358	365	367	397	346	4,457	2.
MARKET WOOD PULP								
Total Market - Production	8,114	8,565	699	773	777	687	8,785	2.
Wood Pulp - Imports	3,235	3,471	289	298	280	253	3,202	-4.
- Exports	4,820	5,071	384	510	401	407	4,846	4.
- New Supply	6,529	6,966	603	560	656	534	7,140	-1.
Dissolving Pulp - Production	1,308	1,365	112	127	127	102	1,372	3.
- Imports	154	206	19	22	7	17	145	-36.
- Exports	775	798	62	88	55	64	716	17.
- New Supply	687	774	68	61	79	54	800	-15.
Paper Grades - Production	6,806	7,200	587	646	650	586	7,413	2.
Chemical Pulp - Imports	2,975	3,126	267	273	269	234	3,015	2.
- Exports	4,045	4,273	323	422	346	343	4,130	2.
- New Supply	5,736	6,052	531	497	573	476	6,299	2.
Groundwood Pulp - Production	0	0	0	0	0	0	0	0.
and All Other - Imports RS	106	139	3	2	4	3	41	-78.
- Exports	0	0	0	0	0	0	0	0.
- New Supply	106	139	3	2	4	3	41	-78.

SOURCES: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, API. Total Wood Pulp Imports & Exports - Department of Commerce.
NOTE: A - API shifted Import data from January 1989 to December 1988 to compensate for misallocation of reported da

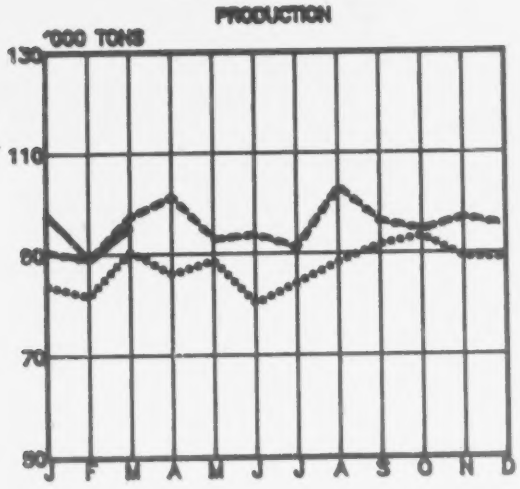
FIBROUS RAW MATERIALS
(Thousands of tons)

	YEAR 1987	YEAR 1988	NOVEMBER 1988	DECEMBER 1988	JANUARY 1989	FEBRUARY 1989	Annual Rate Y-T-D 1989	% Chan from sa Perio Last Ye
CONSUMPTION AT PAPER & PAPERBOARD MILLS					R	P		
Total	77,468	79,675	6,511	6,732	6,943	6,311	79,522	0
Total Wood Pulp	59,474	60,847	4,946	5,208	5,370	4,783	60,916	0
Waste Paper	17,993	18,827	1,565	1,524	1,573	1,528	18,607	0
INVENTORIES								
Chemical Paper Grade Market Pulp								
Producers' Own-Use Inventories	170	166	170	172	178	178	178	7
Producers' Market Inventories	224	264	301	261	344	354	354	33
Consumers' Purchased Inventories #	529	503	591	622	596	608	608	21
Waste Paper at Paper & Bd. Mills	902	851	1,058	1,073	1,050	948	948	11
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp	12	13	17	14	18	18	18	38

SOURCES: Wood Pulp Data, Pulp Division, Pulp, Materials and Technology Group, API. Waste Paper Data, Paper Recycling Committee, API. # Includes all grades of wood pulp.
P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons RS - 1988 Revised Series

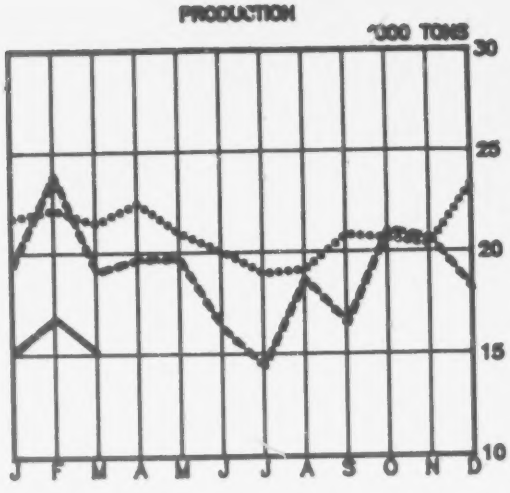
BLEACHED BRISTOLS

PRODUCTION



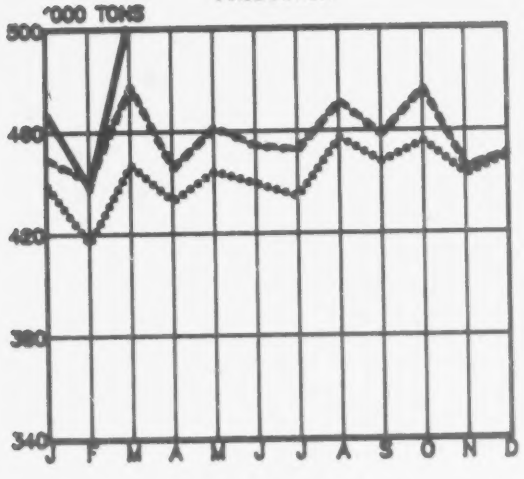
THIN PAPER

PRODUCTION



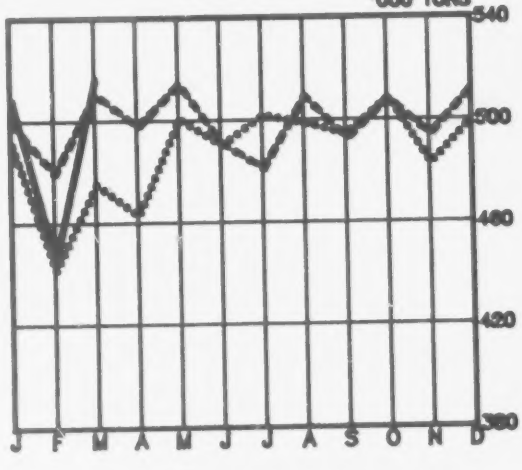
TISSUE PAPER

PRODUCTION



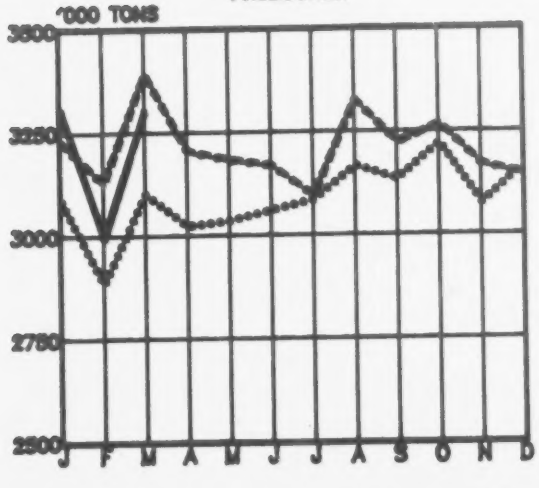
NEWSPRINT

PRODUCTION



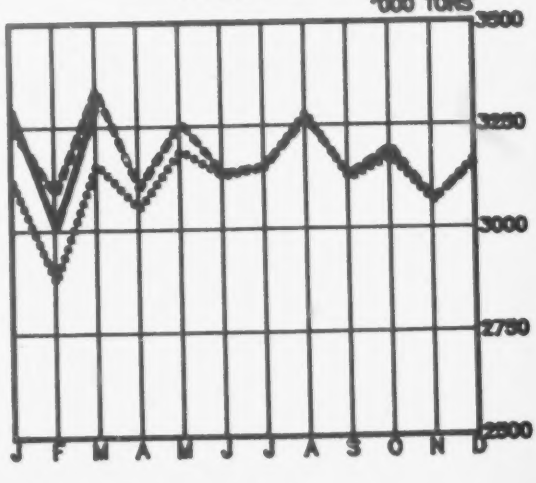
TOTAL PAPER

PRODUCTION



TOTAL PAPERBOARD

PRODUCTION



1987 ••••••••• 1988 - - - - - 1989 ———

F I B R O U S R A W M A T E R I A L S
(Thousands of Standard (128 cubic foot) Cords)

		YEAR 1987	YEAR 1988	NOVEMBER 1988	DECEMBER 1988	JANUARY 1989	FEBRUARY 1989	Annual Rate Y-T-D 1989	% Change From Same Period Last Year
PULPWOOD									
Total U.S.	- Total Receipts	94,312	95,537	7,889	8,370	8,440	7,748	97,128	3.4
	- Total Consumpt	93,946	95,497	7,887	8,198	8,358	7,837	97,170	1.4
	- Residues *	32,899	33,186	2,770	2,812	2,894	2,746	33,840	5.6
	- Inventories	5,096	4,888	4,790	4,888	4,861	4,701	4,701	-1.6
So. Atlantic	- Total Receipts	31,147	31,582	2,697	2,786	2,765	2,542	31,842	3.8
	- Total Consumpt	30,915	31,567	2,630	2,716	2,763	2,623	32,316	3.4
	- Residues *	9,553	9,897	832	885	860	874	10,404	5.3
	- Inventories	1,211	1,200	1,176	1,200	1,194	1,115	1,115	4.2
Northeast	- Total Receipts	6,941	7,187	578	689	698	656	8,124	•11.6
	- Total Consumpt	7,109	7,216	591	600	624	586	7,260	-1.3
	- Residues *	1,543	1,664	155	151	133	168	1,806	21.8
	- Inventories	594	572	506	572	597	685	685	5.4
South Central	- Total Receipts	33,650	33,751	2,824	3,004	2,897	2,628	33,150	2.2
	- Total Consumpt	33,059	33,646	2,760	3,031	2,920	2,743	33,978	1.9
	- Residues *	9,992	9,890	835	841	879	737	9,696	2.2
	- Inventories	1,294	1,160	1,196	1,160	1,133	953	953	-12.2
North Central	- Total Receipts	6,552	6,865	475	608	690	631	7,926	-1.3
	- Total Consumpt	6,764	6,929	573	558	601	561	6,972	-3.3
	- Residues *	1,263	1,334	94	102	114	119	1,398	-11.6
	- Inventories	830	839	768	839	932	979	979	-1.6
West	- Total Receipts	16,022	16,152	1,315	1,283	1,390	1,291	16,086	3.1
	- Total Consumpt	16,099	16,139	1,333	1,293	1,450	1,324	16,644	0.8
	- Residues *	10,548	10,401	854	833	908	848	10,536	9.1
	- Inventories	1,167	1,117	1,144	1,117	1,005	969	969	-1.3

* - Consumption of Residues in Cord Equivalents. SOURCE: American Pulpwood Association 02-May-89

U N I T E D S T A T E S T R A D E W I T H C A N A D A

IMPORTS FROM CANADA

	YEAR Tons	1988 ($000's)	JANUARY 1989 Tons	JANUARY 1989 ($000)	FEBRUARY 1989 Tons	FEBRUARY 1989 ($000)	Annual Rate Y-T-D 1989 Tons	% Change From same Period Last Yea
Pulpwood, Roundwood (in cords of 128 cubic feet)	39,337	4,195	18,765	450	18,515	906	223,680	680.4
Pulpwood chips	876,038	35,184	80,612	2,508	93,527	3,691	1,044,835	20.4
Wood Pulp, Total	A 4,340,245	2,282,329	386,412	221,792	369,269	218,489	4,534,082	6.4
Waste Fibrous Materials, Total	227,004	48,450	20,942	4,581	13,440	2,600	206,291	-12.4
Paper, Board & Products, Total	A 10,497,185	5,715,612	920,000	506,980	839,988	462,219	10,559,927	1.4
Paper, Paperboard,Wet Machine Bd. & Constr. Paper & Bd.	A 10,348,278	5,458,084	902,329	477,464	820,473	439,658	10,336,811	0.8
Paper, Paperboard & Products	A 10,283,277	5,649,813	897,383	502,070	819,398	457,980	10,300,688	0.8
Paper & Paperboard, Only	A 10,134,369	5,392,286	879,713	472,554	799,883	435,419	10,077,572	-3.8
Paper, Total	A 9,869,253	5,295,796	843,946	457,585	771,029	423,826	9,689,848	-1.8
Newsprint	A 8,284,709	4,320,023	682,745	351,731	652,119	340,235	8,009,182	-3.8
Printing, Writing & Rel. Pap.	A 1,304,003	807,306	125,355	82,151	97,083	67,704	1,334,630	8.8
Pack. & Ind. Conv. Paper	227,493	120,765	25,274	12,900	15,038	8,033	241,871	-0.8
Special Industrial Paper	4,767	9,106	4,679	5,771	2,266	3,855	41,672	788.4
Tissue Paper	48,281	38,596	5,894	5,032	4,522	3,999	62,493	16.4
Paperboard, Total	265,116	96,490	35,767	14,969	28,854	11,593	387,724	43.4
Convtd Paper&Paperbd Products	148,908	257,528	17,671	29,516	19,515	22,561	223,117	49.4
Wet Machine Board	2,939	2,120	13	0	11	8	139	-95.4
Construction Paper & Board	210,970	63,679	22,604	4,901	20,579	4,231	259,100	48.4

NOTE: A - API shifted Import data from January 1989 to December 1988 to compensate for misallocation of reported data.

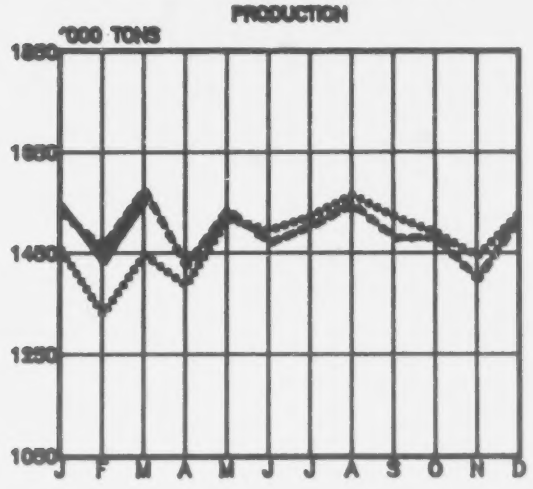
EXPORTS TO CANADA

Pulpwood, Roundwood (in cords of 128 cubic feet)	14,188	836	25	2	0	0	150	-99.4
Pulpwood chips	33,040	1,739	981	45	1,249	57	13,380	-50.4
Wood Pulp, Total	280,074	101,214	16,117	5,522	21,021	6,733	222,825	-7.4
Cotton Pulp & Other Pulp	84,891	24,062	667	373	692	419	8,155	-92.4
Waste Paper	331,999	38,199	16,474	2,099	28,426	3,752	269,401	9.4
Paper, Board & Products, Total	1,050,117	715,960	50,774	40,062	69,694	52,250	722,809	-23.4
Paper, Paperboard,Wet Machine Bd. & Constr. Paper & Bd.	773,973	464,416	34,074	26,668	44,916	33,247	473,938	-40.4
Paper, Paperboard & Products	1,013,157	699,127	49,880	39,527	68,356	51,636	709,412	-28.4
Paper & Paperboard, Only	737,013	447,583	33,180	26,133	43,577	32,634	460,541	-38.4
Paper, Total	340,156	293,175	18,512	18,704	23,647	22,288	252,958	-32.4
Newsprint	5,806	5,304	542	370	363	293	5,430	78.4
Printing, Writing & Rel. Pap.	166,667	160,007	12,106	11,785	13,282	12,309	152,324	-8.4
Pack. & Ind. Conv. Paper	41,718	29,572	2,196	1,297	2,657	1,554	29,122	-35.4
Special Industrial Paper	118,806	98,276	3,304	4,664	6,976	7,550	61,682	-61.4
Tissue Paper	7,160	8,016	364	587	369	583	4,400	-10.4
Paperboard, Total	396,857	154,408	14,667	7,429	19,930	10,345	207,583	-49.4
Convtd Paper&Paperbd Products	276,145	251,544	16,700	13,394	24,779	19,003	248,871	
Wet Machine Board	6,527	2,598	5	2	183	78	1,129	-82.4
Construction Paper & Board	30,433	14,243	889	533	1,156	536	12,269	-59.4

SOURCE: Bureau of Census, Department of Commerce . E - Estimate of tonnage based on square foot data 02-May

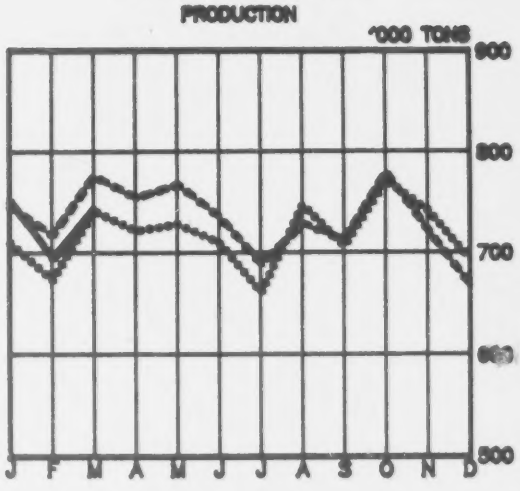
UNBLEACHED KRAFT LINERBOARD

PRODUCTION



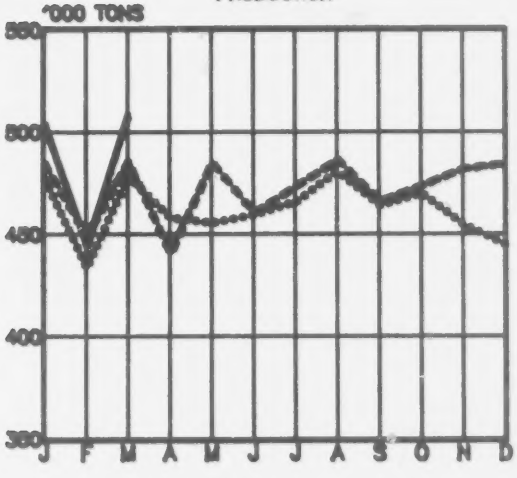
RECYCLED PAPERBOARD

PRODUCTION



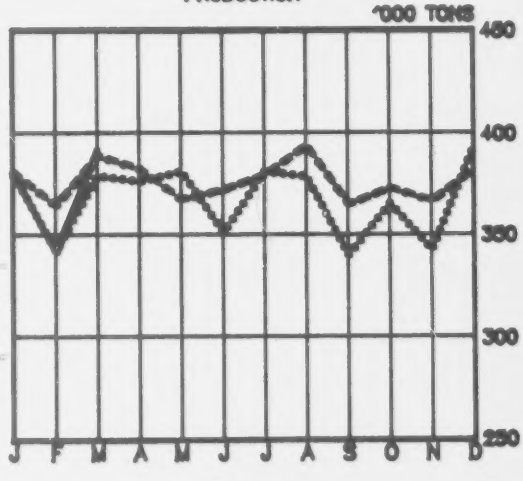
SEMICHEMICAL PAPERBOARD

PRODUCTION



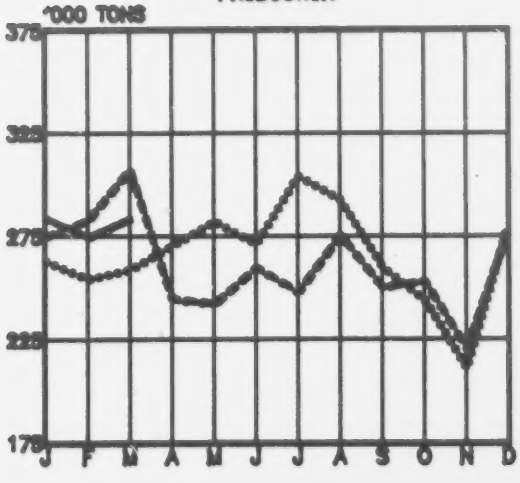
SOLID BLEACHED PAPERBOARD

PRODUCTION



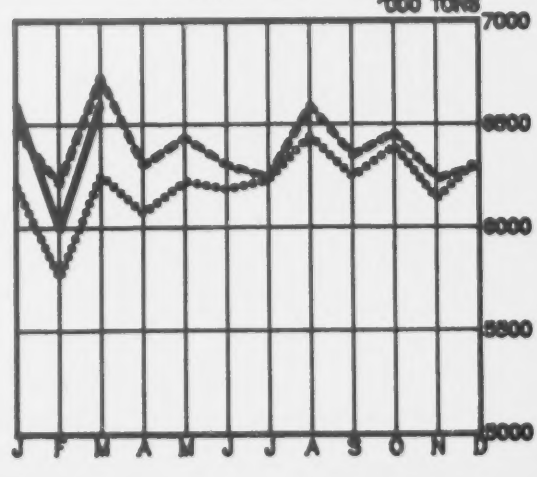
PAPERBOARD FOR EXPORT

PRODUCTION



TOTAL PAPER AND PAPERBOARD

PRODUCTION



1987 ••••••••• 1988 ——•——1989 ————

I M P O R T S

		YEAR 1988 Tons	YEAR 1988 $000	1989 JANUARY Tons	1989 JANUARY $000	1989 FEBRUARY Tons	1989 FEBRUARY $000	(1) Annual Rate YTD 1989 Tons	% Change from same Period Last Yea
Pulpwood Roundwood (cords)		39,515	4,200	18,765	450	18,515	906	223,680	680
Pulpwood Chips		888,636	35,553	81,798	2,544	94,393	3,719	1,057,149	21
Total All Imports	A	18,402,259	10,725,164	1,545,121	925,689	1,434,223	880,338	17,876,064	1
Wood Pulp Total	A	5,038,158	2,663,424	432,376	249,644	394,512	233,775	4,961,328	1
Waste Paper		161,367	27,361	23,495	5,948	13,752	2,547	223,481	24
Other Fibrous Materials		92,505	32,331	1,039	992	661	499	10,199	-86
Paper Board & Products Total	A	13,110,229	8,002,047	1,088,212	669,105	1,025,297	643,517	12,681,056	1
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	A	12,679,974	6,989,006	1,041,833	592,828	968,096	564,222	12,059,569	-0
Paper Ppbd & Prds ex Cnst&WMB	A	12,787,784	7,893,637	1,062,501	663,095	1,001,341	638,101	12,383,050	0
Paper & Paperboard Only	A	12,357,530	6,880,596	1,016,121	586,818	944,140	558,806	11,761,563	-1
Paper Total	A	12,016,519	6,749,882	977,070	568,560	910,590	540,846	11,325,959	-2
Newsprint	A	8,801,503	4,569,853	699,968	359,549	664,917	346,581	8,189,305	-4
Printing & Writing	A	2,812,259	1,899,745	224,207	162,992	203,913	154,644	2,568,719	-1
Uncoated Groundwood		1,362,642	792,881	97,167	59,994	86,552	54,619	1,102,313	-1
Coated Print.& Impreg. Pap.	A	797,765	641,466	58,857	46,810	53,804	45,158	675,963	
Uncoated Free Sheet	A	591,830	414,326	52,356	39,598	52,456	42,294	628,871	16
Uncoated Book	A	258,146	175,746	N.L.R.	N.L.R.	N.L.R.	N.L.R.	N.L.R.	N.L.
Writing and Similar Paper	A	333,683	238,580	52,356	39,598	52,456	42,294	628,871	9
Thin (except Cigarette)		55,774	48,804	9,605	10,430	6,492	7,243	96,583	8
Bristols		4,247	2,269	6,222	6,160	4,609	5,329	64,988	703
Total Pkg & Other Paper		343,196	231,796	42,596	37,095	32,216	31,155	448,868	3
Unbleached Kraft Paper		161,708	76,116	26,877	12,553	19,150	9,097	276,163	6
Other Pkg. & Indust. Paper		181,488	155,680	15,719	24,542	13,065	22,058	172,705	
Tissue		59,561	48,488	10,299	8,925	9,545	8,466	119,068	5
Paperboard, Total		341,011	130,714	39,051	18,258	33,550	17,961	435,604	3
Test or Containerboard		85,682	36,145	7,893	3,262	4,491	2,166	74,302	-1
Semi-Chemical Corrugating		142,490	43,596	9,630	3,112	9,945	3,037	117,451	-1
Other Paperboard		112,839	50,972	21,528	11,884	19,114	12,758	243,851	14
Convtd Paper&Paperbd Products		430,255	1,013,041	46,380	76,277	57,202	79,295	621,487	6
Paper Products, Total		393,089	944,974	37,329	62,074	48,585	66,516	515,486	4
Paperboard Products, Total		37,166	68,067	9,050	14,204	8,617	12,779	106,001	23
Wet machine Board		4,239	3,780	24	24	13	11	220	-9
Construction Paper & Board		318,206	104,630	25,688	5,985	23,943	5,405	297,785	2
Notes									
Other: No Weight Avail. ($000)			177,686		6,183		10,067	97,502	-4
Total Imports Incl. Other($000)			10,720,130		1,114,592		890,405	12,029,984	2

NOTE: A - API shifted Import data from January 1989 to December 1988 to compensate for misallocation of reported data.

E X P O R T S

								(1)	
Pulpwood, Roundwood (cords)		15,470	894	12,909	185	94	18	78,018	81
Pulpwood Chips		3,503,100	286,191	309,771	23,399	290,349	18,576	3,600,718	5
Total All Exports		17,062,208	7,467,363	1,354,444	598,561	1,553,660	667,982	17,448,620	1
Wood Pulp,Total		5,528,292	2,914,521	457,275	241,154	506,690	262,182	5,783,789	1
Cotton Pulp and Other Pulp		201,567	111,923	8,141	5,770	7,231	5,298	92,230	-6
Waste and Old Paper		5,640,118	688,258	447,061	53,485	513,648	61,534	5,764,251	1
Paper, Board & Products,Total		5,692,231	3,752,661	441,968	298,152	526,091	338,968	5,808,350	
Paper,Paperboard,Wet Machine Bd. & Construction Paper & Board		4,877,563	2,701,405	373,280	211,899	437,431	240,083	4,864,261	
Paper, Ppbd & Prod ex Cnst&WMB		5,560,356	3,683,601	438,545	296,589	523,525	337,903	5,772,419	1
Paper & Paperboard, Only		4,745,688	2,632,346	369,857	210,336	434,864	239,018	4,828,330	1
Paper, Total		1,103,490	988,031	96,577	84,903	118,505	96,932	1,290,486	2
Newsprint		427,296	295,474	48,505	33,305	56,616	34,981	630,725	9
Printing & Writing		287,208	313,047	24,787	25,561	31,190	30,021	335,860	2
Uncoated Groundwood		70,286	58,639	5,275	3,994	6,238	4,733	69,079	2
Clay Coated Paper		97,464	79,731	7,450	6,467	8,552	7,930	96,008	-9
Uncoated Free Sheet		82,660	124,049	4,280	5,584	6,549	7,076	64,968	-1
Other Printing & Writing		36,799	50,629	7,782	9,516	9,852	10,281	105,805	25
Total Pkg. & Other Paper		346,718	342,117	21,685	23,683	29,454	30,033	306,837	-1
Unbleached Kraft		110,075	54,975	9,522	4,113	9,185	4,353	112,244	1
Other Pkg. & Indust. Paper		236,643	287,142	12,163	19,570	20,269	25,680	194,593	-2
Tissue		41,268	37,393	1,600	2,354	1,244	1,897	17,065	-6
Paperboard, Total		3,642,198	1,644,314	273,281	125,433	316,360	142,086	3,537,844	
Solid Wood Pulp		3,359,078	1,511,057	261,112	118,331	300,378	132,244	3,368,938	
Total Linerboard		2,281,362	887,846	182,293	68,924	231,521	88,238	2,482,886	1
Bleached Kraft Linerboard		140,801	73,728	22,492	9,566	35,866	15,315	350,146	11
Unbleached Kraft Linerbd		2,140,562	814,119	159,802	59,358	195,655	72,924	2,132,740	1
Other Unbleached Kraft		292,437	102,638	18,377	9,746	17,607	8,647	215,903	-2
Other Bleached Kraft		742,918	502,513	57,100	38,168	49,126	34,460	637,357	-
Semi-Chemical Corrugating		42,360	18,060	3,341	1,493	2,124	899	32,792	-4
Recycled Paperboard		283,121	133,257	12,169	7,102	15,982	9,842	168,906	-3
Convtd Paper&Paperbd Products		814,668	1,051,256	68,688	86,253	88,660	98,885	944,089	3
Paper Products, Total		367,548	682,281	29,210	55,926	39,986	63,101	415,172	3
Paperboard Products, Total		447,121	368,975	39,478	30,327	48,675	35,784	528,917	2
Wet Machine Board		11,691	4,915	124	75	271	111	2,374	-6
Construction Paper & Board E		120,184	64,145	3,298	1,487	2,295	954	33,558	-6
Notes									
Other: No Weight Avail. ($000)			9,170		596		1,422	12,107	3
Total Exports Incl. Other($000)			7,476,533		599,157		669,404	7,611,365	1

SOURCE: Bureau of Census, U.S. Department of Commerce. E - Incl. estim. of tonnage based on square foot data.
(1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description. N.L.R. - No longer reported.

PRODUCER PRICE INDEXES
1982 = 100

	1987	1988	DECEMBER 1988	JANUARY 1989	FEBRUARY 1989	MARCH 1989	Annual Rate Y-T-D 1989	% Change from same Period Last Year
Pulp, Paper and Products except Building Grades	114.3	124.8	128.5	129.3	131.1	132.0	130.8	8.
Pulp Paper & Products, ex. Building Grades & ex Waste Paper *	113.2	123.8	128.0	128.9	130.7	131.6	130.4	9.
Total Wood Pulp	111.5	136.6	145.2	149.1	151.5	153.4	151.3	20.
Total Paper	111.5	123.2	127.7	128.7	130.2	130.7	129.9	9.
Total Paper, exc. Newsprint	110.6	123.3	128.7	129.5	130.7	131.4	130.5	10.
Newsprint	112.3	127.6	126.2	126.1	128.8	128.3	127.7	0.
Total Paperboard	118.1	133.2	136.5	137.8	138.7	141.6	139.4	8.
Total Paper and Paperboard *	113.6	126.3	130.5	131.6	132.9	134.1	132.8	9.
Converted Products	114.7	123.0	127.1	127.6	129.8	130.3	129.2	8.
Waste Paper	181.4	183.6	158.9	155.3	156.8	158.2	156.8	-19.
All Commodities	102.8	106.9	109.0	110.3	110.8	111.5	110.9	5.
Industrial Commodities	102.6	106.3	108.1	109.4	110.0	110.6	110.0	5.

SOURCE: Producer Price Indexes: Bureau of Labor Statistics, U.S. Department of Labor * Computed by API

DISTRIBUTION OF PAPER/PAPERBOARD PRODUCTS TO MAJOR CUSTOMERS
(% of total dollar output)

Paperboard Containers and Boxes		Paper and Allied Products*	
Food	31.2%	Printing & Pub.	23.1%
Wholesale & Retail	5.4	Paper and Allied Products	17.9
Drugs, Cleaning, & etc.	5.0	Papbd. Cont. & Boxes	12.4
Paper and Allied Products	4.8	Wholesale & Retail	5.1
Eating & Drinking Places	4.6	Food	5.0
Rub. & Misc. Plas. Prod.	4.1	Health, Educ. & Soc. Serv.	2.5
Papbd. Cont. & Boxes	3.6	New Construction	1.5
Glass & Glass Products	2.6	Chem. & Chem. Products	1.3
Miscellaneous Mfg.	2.3	Rub. & Misc. Plas. Prod.	1.1
Other Fab. Metal Prod.	2.1	Business Services	1.1
Other Intermediate	30.3	Other Intermediate	11.8
Total Intermediate	**96.0%**	**Total Intermediate**	**82.8%**
Purchases by Individuals	1.4%	Purchases by Individuals	15.5%
Gov. Purchases	1.1	Gov. Purchases	3.4
Exports	1.4	Exports	5.8
Imports	-0.5	Imports	-9.4
Other Final Demand	0.6	Other Final Demand	1.9
Total Final Demand	**4.0**	**Total Final Demand**	**17.2**
Total Intermediate and Final Demand	**100.0%**	**Total Intermediate and Final Demand**	**100.0%**

*Excludes Paperboard Containers and Boxes
Source: Department of Commerce, 1983 Input/Output Tables

tons of newsprint received from Canada in December were reported in the January totals, and have shifted this tonnage accordingly. We have also shifted 8,900 tons of coated paper, 15,700 tons of uncoated free sheet papers and 100,000 tons of wood pulp from January 1989 to December 1988. As a result our December 1988 and January 1989 totals will not match those published by Census, nor will our totals for 1988 and 1989. They will, however, give a more accurate picture of the actual movements of imports. At the same time, the changes in the codes resulted in some differences in the products included in the reported grade totals from those in the old system, so that care must be taken in interpreting the reported 1988-1989 changes.

The imports table on page 9, which takes these adjustments into account, shows total imports of paper and paperboard in the first two months of 1989 2% below its year-ago rate, compared to the 12% increase indicated by the original Census data. The very large increases in bristols and in paperboard products suggest that new products are being coded to these grades.

The 1989 data on linerboard exports as reported by Census show a considerably stronger increase than indicated by the API data on linerboard production for export shown on Page 3. The level of exports -- 2.5 million tons per year -- is about the same as that shown by the API data. The problem seems to be in the low Census tonnage for the first two months of 1988. However, the Census total for all of 1988 of 2.28 million tons also compares well with API's 2.30 million tons.

MARKET WOOD PULP

Production of market wood pulp continued near its record-high 1988 rates during the first quarter of 1989. Production of the chemical paper grades were slightly above their year-ago totals, running at 7.3 million short tons per year. March 1989 shipments were considerably above the production total, resulting in a sharp decline in producers inventories, bringing them back to the level of the beginning of the year. The first quarter 1989 shipments total was very close to its year-ago level, with a 7% decline in shipments to the domestic market offset by a 5% gain in exports.

SALES AND EARNINGS

Data on sales and earnings for 27 paper and allied products companies in the first quarter of 1989 showed further impressive gains. Sales of these companies rose by 11% over their year-ago quarter; after tax earnings by 17%. The ratio of after-tax earnings to sales in the 1989 period was 8.0%, compared to 7.6% one year ago. These ratios compare to the 5%-6% levels generally shown by the totals for all paper and allied products companies prior to 1988.

INPUT/OUTPUT STATISTICS FOR THE U.S. PAPER INDUSTRY

Input/Output tables for the U.S. economy of 1983 have recently been released by the Commerce Department. The tables trace the dollar flow of goods and services between industries and to final consumers. Final customers include householders, government entities and exports. Imports are included as a source of products to the intermediate industries and netted out in the final demand figures, bringing the shipments total back to the domestic industry level. (See table at bottom of Page 10.)

The leading intermediate consumers of the paper and allied products industry (excluding containers and boxes, which are counted as a separate industry in this structure) were the printing and publishing industries, which used the equivalent of 23.1% of the shipments total. Of this, an estimated 5.6% came from foreign sources and 17.5% from domestic sources.

Purchases of market pulp by paper and paperboard mills, together with purchases of paper by converters of bags and sacks, envelopes, and similar products made the paper and allied products industry (as defined here) one of its own best customers. It took the equivalent of 17.9% of total industry shipments, 5.1% from foreign sources and 12.8% from the domestic industry.

Altogether, nearly 83% of the dollar-value of paper and allied products (excluding paperboard containers and boxes) consumed in 1983 went to intermediate users, the rema..ning 17% to final demand. Although paper and paperboard are primarily industrial products, purchases by individuals, which are included in the final demand figures, accounted for 15.5%. Exports accounted for 5.8% of the total. Imports, which are included in the intermediate goods consumption totals, were equivalent to 9% of the total and were netted out in the final demand section.

Converters of paperboard containers and boxes accounted for 12.4% of the total shipments, with only a negligible amount coming from foreign sources. About two-thirds of the total paperboard tonnage made in the U.S. in 1983 went to domestic producers of containers and boxes.

The I/O tables reveal that 96% of paperboard containers and boxes, a category that encompasses corrugated shipping containers, folding boxes, sanitary food containers and other paperboard packaging products, went to the intermediate industries in 1983. Only 4% went to final demand.

A 2500-2

INDUSTRY FACT SHEET

AMERICAN PAPER INSTITUTE, INC.
260 Madison Avenue
New York, New York 10016

April 28, 1989

PRODUCTION (000 TONS)

	(P) MARCH 1989	FEBRUARY 1989	MARCH 1988	FIRST 3 MONTHS 1989	FIRST 3 MONTHS 1988	% CHANGE YR TO DATE 1988/1987
PAPER GRADES						
Newsprint	516	445	510	1,469	1,487	-1.3
Printing & Writing	1,830	1,699	1,944	5,400	5,543	-2.6
Uncoated Groundwood (s)	142	131	139	421	396	6.2
Coated Paper (s)	592	551	653	1,775	1,883	-5.7
Uncoated Free Sheet Paper (s)	972	899	1,020	2,837	2,883	-1.6
Thin Paper (s)	15	17	19	47	62	-25.2
Cotton Fiber Paper (s)	14	13	15	41	43	-4.7
Bleached Bristols (s)	95	89	97	281	276	1.8
Tissue Paper	505	437	477	1,407	1,366	3.0
Total Pkg & Other Paper	448	408	458	1,311	1,337	-2.0
Unbl. Kraft Paper (s)	265	236	266	773	788	-1.8
Other Paper	184	172	192	538	550	-2.2
TOTAL PAPER	3,299	2,989	3,389	9,587	9,734	-1.5
PAPERBOARD GRADES						
Unbleached Kraft Paperboard	1,653	1,522	1,689	4,828	4,881	-1.1
Unbleached Kraft Linerboard	1,551	1,430	1,573	4,521	4,561	-0.9
Other Unbl. Kraft Paperboard	102	92	116	307	320	-4.1
Semichemical Paperboard	508	444	485	1,454	1,418	2.6
Bleached Paperboard	391	341	389	1,112	1,133	-1.8
Recycled Paperboard	743	694	776	2,187	2,238	-2.3
TOTAL PAPERBOARD	3,296	3,001	3,339	9,581	9,670	-0.9
TOTAL PAPER AND PAPERBOARD	6,595	5,989	6,727	19,168	19,403	-1.2

WOOD PULP (ALL GRADES)	FEBRUARY 1989	JANUARY 1989	FEBRUARY 1988	FIRST TWO MONTHS 1989	FIRST TWO MONTHS 1988	% Change 88/87
Dissolving & Special Alpha	102	127	116	229	221	3.8
Bleached Sulfite)	117	139	119	255	253	0.9
Unbleached Sulfite)						
Bleached & Semi-Bl. Sulfate	2,122	2,384	2,076	4,506	4,343	3.8
Unbleached Sulfate	1,696	1,900	1,772	3,596	3,670	-2.0
Semichemical	346	397	344	743	725	2.4
Groundwood & Thermomechanical	438	520	471	958	986	-2.9
TOTAL PULP DIVISION DATA	4,821	5,466	4,898	10,287	10,198	0.9

(s) - Shipments
P - Preliminary

APRIL 28, 1989

	Full Year		INDUSTRY DATA 1988 - 1989			Ann. Rate Year - To - Date	% From Same Pd Last Ye
			R	P			
PAPER AND PAPERBOARD -- Tons (000)	1987	1988	January	February	March	1989	
Total Production (API).....: excluding :...	74,435	76,705	6,584	5,989	6,595	76,672	-1.
Total Seasonally Adjusted....:construction:...			6,458	6,406	6,392	76,994	-0.
Imports (including Products).: and wet :..E	12,454	12,788	1,063	1,001	1,037	12,403	-3.
Exports (including Products).: machine :..E	5,197	5,560	439	524	487	5,796	4.
Apparent Consumption.....: grades :...	81,692 a	83,933 b	7,074	6,884	6,942	83,279 c	-1.
Paper Production % Tonnage Capacity.....	94.1 g	95.5	95.5	95.1	94.5	95.0	-
Paperboard Production % Tonnage Capacity.....	96.8 g	96.7	95.3	95.7	94.6	95.2	-
			December	January	February		
IMPORTS.....:Including Construction and :...	12,837	12,876	812	1,088	1,025	12,681	1.
EXPORTS.....: WMB Grades (excl. HPB) :...	5,304	5,797	500	442	526	5,808	0.
MARKET WOOD PULP PRODUCTION - Tons (000).....	8,114	8,565	773	777	687	8,785	2.
TOTAL WOOD PULP PRODUCTION - Tons (000).....	59,552	61,161	5,282	5,466	4,821	61,724	0.
WOOD PULP IMPORTS - TONS (000).....	4,850	5,038	414	432	395	4,961	1.
WOOD PULP EXPORTS - TONS (000).....	4,889	5,528	573	457	507	5,784	15.
RAW MATERIALS CONSUMPTION - Tons (000)							
..PAPER AND BOARD MILLS : excluding. :			December	January	February		
Wood Pulp.....:consumption for:.....	59,475	60,847	5,208	5,370	4,783	60,916	0.
Waste Paper.....:construction & :.....	17,993	18,828	1,525	1,573	1,528	18,607	0.
TOTAL.....: WMB grades :.....	77,468	79,675	6,732	6,943	6,311	79,522	0.
PULPWOOD CONSUMPTION Cords(000)Amer.Pulpwd. Assn	93,946	95,497	8,198	8,358	7,837	97,170	1.
EMPLOYMENT (000)			January	February	March		
Paper and Allied Products.....Total.....	679.0	689.3	688.2	687.1	688.4	687.9	0.
Pulp, Paper and Board Mills.....Total.....E	244.9	245.5	243.6	242.6	242.6	242.9	-0.
AVERAGE HOURLY EARNINGS OF PRODUCTION WORKERS ($)			January	February	March		
Paper and Allied Products.....	11.42	11.64	11.77	11.79	11.82	11.79	2.
Pulp, Paper Mills.....E	14.00	14.29	14.44	14.48	14.55	14.49	3.
Paperboard Mills.....E	14.30	14.49	14.47	14.56	14.57	14.53	1.
CAPITAL EXPENDITURES, PAPER & ALLIED PRODUCTS			1988 Q3	1988 Q4	1989 Q1		
(Rept. by US Dept. of Com., Ann. Rates, Bill.$)*	9.01	11.23	11.37	12.53	15.47	15.21 Y	35.
INDEX OF OUTPUT PER MAN-HOUR (1977=100).....			January	February	March		
:IN PULP, PAPER :...Production Workers.....	145.0	149.7	154.2	151.2	152.2	152.5	0.
:AND BOARD MILLS:...All Employees.....	141.8	146.5	150.6	147.8	149.1	149.2	0.
PAPER AND ALLIED PRODUCTS (Million $)			December	January	February		
Industry Shipments (Dept. of Commerce)*.....	118,855	127,718	10,956	10,938	10,802	130,440	1.
Pulp, Paper and Paperboard*.....	51,518	57,177	4,860	4,912	4,878	58,740	-0.
Inventories (End of Period) - Total Industry*..	11,284	12,065	12,065	12,093	11,941	11,941	3.
Pulp, Paper and Paperboard*.....	4,266	4,325	4,325	4,478	4,473	4,473	2.
			1989 Q2	1988 Q3	1988 Q4		
Sales (Corporations Only).....	95,576	107,014 RS	27,227	27,344	26,939	107,014	12.
Earnings (Corporations Only).....	5,520	8,077 RS	2,195	2,227	1,911	8,077	46.
Depreciation (Corporations Only).....	4,279	4,620 RS	1,124	1,162	1,165	4,620	8.
Net Worth (Corporations Only).....	39,217	42,933 RS	41,621	43,015	42,933	42,933	9.
PRICE INDEXES (Bureau of Labor Stats)1982=100			January	February	March		
Pulp, Paper & Products, ex. Building Grades....	114.3	124.7	129.3	131.1	132.0	130.8	8.
Wood Pulp.....	111.6	136.7	149.1	151.5	153.4	151.3	20.
Waste Paper.....	181.4	183.5	155.3	156.8	158.2	156.8	-19.
Paper.....	111.5	123.2	128.7	130.2	130.7	129.9	9.
Paperboard.....	118.1	133.2	137.8	138.7	141.6	139.4	8.
PAPER DEMAND (INDEXED: 1977=100)			January	February	March		
Total Paper Production *.....	133.8	138.9	140.0	136.3	139.1	138.5	-0.
Paper New Supply *.....	140.6	144.8	144.9	138.8	142.7	142.2	-2.
Demand Indicators - (Weighted Average) *.....	154.5	163.7	170.1	171.1	171.6	170.9	6.
Production of Nondurable Goods *...(21.2%).	136.8	143.9	148.6	148.6	148.6	148.6	5.
Disposable Income .....*.(23.9%)	130.0	134.9	138.5	139.8	139.9	139.4	4.
Total Printing and Publishing *...(54.9%).	172.0	183.8	192.2	193.5	194.2	193.3	8.
Trend Factor			Not Available				
PAPERBOARD DEMAND (INDEXED: 1977=100)							
Total Paperboard Production *.....	129.1	132.0	133.4	135.1	131.9	133.4	-0.
Production for Domestic Use	126.1	129.4	129.9	132.1	128.2	130.0	0.
Demand Indicators - (Weighted Average) *.....	125.9	132.5	136.6	136.7	136.4	136.6	5.
Production of Consumer Goods *...(62.06%)	127.7	133.9	138.6	139.0	138.4	138.7	5.
Production of Equipment *...(5.75%)	148.8	158.2	161.6	162.0	162.3	162.0	4.
Production of Materials *...(32.19%)	118.3	126.3	128.3	127.9	128.0	128.1	4.
Trend Factor			Not Available				
NEWSPRINT MARKETS			December	January	February		
Consumption by Publishers - Tons (000).....	13,583	13,598	1,144	1,063	1,028	12,546	-1.
Newspaper Pub. and Printing Empl. Total(000)...	471	478	482	481	480	480	0.
PRINTING AND FINE PAPER MARKETS							
MAGAZINE ADVERTISING PAGES (PIB, Inc.).....	164,771	167,504	14,831	10,857	13,977	149,005	1.
WHOLESALERS SALES AND INVENTORIES (Million $)							
Total Paper & Pap. Prdcts.,ex Wallpaper..Sales	44,741	52,377	4,443	4,464	4,311	52,650	9.
Inventories (End of Period).	3,850	4,436	4,436	4,728	4,820	4,820	21.
FIBRE BOX DATA (Fibre Box Association)			January	February	March		
Fibre Box Shipments (Million square feet).....	297,827	308,507	26,544	24,184	26,755	309,932	0.
Container'bd Inventory at Mill & Plant(000Tons).	2,486	2,553	2,707	2,612	2,579	2,579	2.
RETAIL TRADE (Billion $)			January	Fsbruary	March		
Total Retail Sales *.....	1,511	1,612	140	139	139	1,675	5.
Nondurable Goods Stores Sales *.....	950	998	86	86	87	1,037	7.
GENERAL ECONOMIC DATA			January	February	March		
TOTAL INDUSTRIAL PRODUCTION (INDEX 1977 = 100)*..	129.8	137.2	141.0	141.0	141.0	141.0	4.
PRODUCER PRICES(ALL COMMODITIES)(INDEX 1982=100).	102.8	106.9	110.3	110.8	111.5	110.9	5.
CONSUMER PRICES (ALL ITEMS) (INDEX 1982-4=100)....	113.6	118.3	121.1	121.6	122.3	121.7	4.
			December	January	February		
TOTAL CONSUMER CREDIT OUTSTANDING - (Billion $)..	623.6	678.1	678.1	684.7	682.3	682.3	10.
GROSS NATIONAL PRODUCT - ANNUAL RATE (Billion$)..			1988 Q3	1988 Q4	1989 Q1		
G.N.P. or Expenditure - Current $.....	4,527	4,864	4,909	5,000	5,117	5,117	7.
G.N.P. or Expenditure - 1982 $.....	3,847	3,996	4,009	4,033	4,088	4,088	3.

lb/capita

Pap&Papbd	Othr	Totl	Popul(mil)
.a - 670	+ 17	= 687	243.9
.b - 684	+ 17	= 701	245.5
.c - 678	+ 17	= 695	245.5

.E - Last month estimated by API

f - Wood Pulp Production excludes def., explo. & scrngs.
g - Adjusted for holiday shutdowns
h - First 3 quarters, annual rate
Q - Quarter

R - Revised
Y - Full year estim. by U.S. Dept. of Com.
RS - Revised Series
* - Seasonally Adjusted.